

# **POOLED CASH REPORT** **March 2022**

	ACTUAL CASH BALANCE OR PORTFOLIO MARKET VALUE	2021-22 FYTD INTEREST EARNINGS
PETTY CASH / CASH REGISTERS	\$ 5,300	\$ -
LAIF - LOCAL AGENCY INVESTMENT FUND	\$ 1,372	\$ 3
MECHANICS BANK CHECKING ACCOUNTS (OPERATING & PAYROLL)	\$ 2,678,127	\$ -
CHANDLER ASSET MANAGEMENT PORTFOLIO	\$ 5,121,422	\$ (207,760)
MULTI BANK SECURITIES PORTFOLIO	\$ 8,909,142	\$ (481,321)
FIVE STAR BANK MONEY MARKET	\$ 8,362,368	\$ 12,178
FIVE STAR BANK PUBLIC DONATION CHECKING ACCOUNT	\$ 159	\$ -
<b>ACTUAL FYTD TOTAL CASH ~ ALL FUNDS</b>	<b>\$ 25,077,889</b>	<b>\$ (676,900)</b>

2021-22 ALL FUNDS COMBINED ACTUAL FYTD INTEREST EARNINGS	\$ (676,900)
2021-22 ALL FUNDS COMBINED ACTUAL FYTD BANK FEES	\$ (7,911)
2021-22 ALL FUNDS COMBINED NET ACTUAL BANK INTEREST	\$ (684,811)
2021-22 ALL FUNDS COMBINED BUDGETED INTEREST EARNINGS	\$ 67,550
2021-22 PERCENTAGE OF ACTUAL NET YTD INTEREST EARNINGS TO BUDGET	-1013.784%

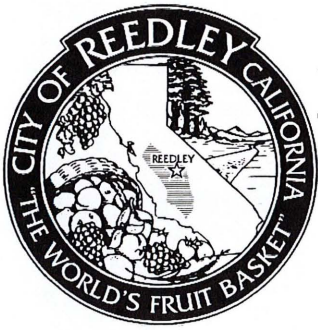
## *Prior Fiscal Year Comparison - Same Period*

2020-21 ALL FUNDS COMBINED ACTUAL FYTD INTEREST EARNINGS	\$ (8,438)
2020-21 ALL FUNDS COMBINED ACTUAL FYTD BANK FEES	\$ (8,710)
2020-21 ALL FUNDS COMBINED NET ACTUAL BANK INTEREST	\$ (17,148)
2020-21 ALL FUNDS COMBINED BUDGETED INTEREST EARNINGS	\$ 222,476
2020-21 PERCENTAGE OF ACTUAL NET YTD INTEREST EARNINGS TO BUDGET	-7.708%

# POOLED CASH REPORT

March 2022

FUND	FUND NAME	CASH BALANCE
001	General Fund	\$ 892,845
002	General Fund Reserve Set Aside	\$ 2,645,317
003	Public Safety Sales Tax	\$ 615,045
004	Public Safety Sales Tax Police Capital Set Aside	\$ -
005	Gas Tax	\$ (37,564)
007	Street Projects Federal and State Funding	\$ 82,422
010	LTF - Article 3 Sidewalks	\$ 14,016
011	LTF - Article 8 Streets	\$ 1,056,311
014	FCTA - Flexible Funding	\$ 572,178
015	FCTA - Americans with Disabilities Act (ADA)	\$ (5,240)
016	FCTA - Street Maintenance	\$ 878,490
017	FCTA - Pedestrian and Trails	\$ 270,197
018	FCTA - Bike Facilities	\$ 61,302
022	SB2 Planning	\$ (17,697)
023	Road Repair Accountability Act	\$ 389,387
024	Community Development Block Grant (CDBG)	\$ 22,869
025	American Rescue Plan Act (ARPA)	\$ 1,960,094
029	Public Education and Governmental Access (PEG)	\$ 9,049
030	Landscape Lighting and Maintenance District	\$ 181,965
032	Community Facilities District	\$ (222,762)
034	Streetscape	\$ 38,732
038	Prop 68 Park Bonds	\$ (90,618)
041	Airport	\$ 112,277
047	Groundwater Treatment	\$ 4,001,709
048	Water Rate Stabilization	\$ 158,465
049	Water Capital	\$ 428,790
050	Water	\$ 784,657
051	Sewer Capital	\$ 2,233,135
052	Sewer	\$ 2,550,464
053	Solid Waste	\$ 993,820
054	Solid Waste Capital	\$ -
055	Vehicle Impact Fee	\$ -
060	Equipment Shop ISF	\$ 126,255
065	Dental Benefit ISF	\$ 22,473
068	HR ISF	\$ 53,533
073	Deposits in Trust	\$ 117,801
075	COPS Program	\$ 47,094
078	CASp Certification	\$ 26,852
080	City Bond Funds	\$ 239,556
082	Blighted Properties	\$ 67,968
083	Transitional Housing Grant	\$ -
100	DIF - Transportation	\$ 994,972
102	DIF - Law	\$ 19,941
103	DIF - Fire	\$ 94,602
104	DIF - Storm Drain	\$ 902,853
105	DIF - Wastewater Facilities	\$ 718,153
109	DIF - Parks & Recreation Facilities	\$ 250,902
110	DIF - General Government Facilities	\$ 21,095
111	DIF - Water Facilities	\$ 278,249
896	RDA Successor Low and Moderate Income Housing	\$ 39,203
897	RDA Successor Retirement	\$ 476,732
<b>All Funds - Cash Total</b>		<b>\$ 25,077,889</b>



## REEDLEY CITY COUNCIL

- ☐ Consent
- ☐ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☐ Public Hearing
- ☒ Receive/Review

ITEM NO: 15

DATE: April 26, 2022

TITLE: RECEIVE, REVIEW, AND FILE THE QUARTERLY INVESTMENT REPORT FOR 3<sup>rd</sup> QUARTER ENDING MARCH 31, 2022 FOR FISCAL YEAR 2021-22

SUBMITTED: Paul A. Melikian, Assistant City Manager 

APPROVED: Nicole R. Zieba, City Manager 

### RECOMMENDATION

That the City Council receive, review, and file the Quarterly Investment Report for 3<sup>rd</sup> Quarter Fiscal Year 2021-22, ending March 31, 2022, as required by the City's Investment Policy last adopted on March 22, 2022. No action is required other than to receive, review, and file the report.

### EXECUTIVE SUMMARY

Portfolio earnings, net of fees, for 3<sup>rd</sup> quarter ending March 31, 2022 total (\$684,811). The prior 3<sup>rd</sup> quarter net portfolio earnings for the same 12-month period one year ago (3<sup>rd</sup> quarter FY 2020-21) were (\$17,148). Interest rates have been severely impacted by the economic policy as a result of the pandemic, accounting for the steep drop off in year over year earnings; therefore, staff have reduced expectations for future income from portfolio earnings for the remainder of the fiscal year. It should be noted that no loss of principal has occurred during this time period as all investments are held to maturity. The Federal Reserve is moving aggressively to tighten monetary policy, with officials expecting to hike rates roughly six additional times this year. As interest rates rise, the City will be able to re-invest at higher rates and anticipates better portfolio performance beginning next fiscal year.

The attached investment/pooled cash report shows additional detail for cash balances by City fund. The 'treasury pool' for the City, representing the cumulative balance of all funds, totals \$25,077,889 as of March 31, 2022, which is \$1,295,090 higher than last quarter ending December 31, 2021. The treasury pool from the same 12-month period one year ago was \$18,712,468 as of March 31, 2021. The first payment of funding from *Coronavirus State and Local Fiscal Recovery Funds* included in the Federal American Rescue Plan Act of 2021 were received by the City in July 2021, and the current cash balance is reflected on the attached Pooled Cash Report in Fund 025.

All financial investment instruments are constantly monitored and assessed for safety, liquidity and yield. It is important to note that the City's principal value of these investments are secure at all times, and the values that are being reported are the market values at a specific point in time. All investments in the portfolio are in compliance with the City's current Investment Policy, and staff does not anticipate any issues with regard to the City's ability to meet expenditure requirements for the next six months. (Government Code section 53646)

### BACKGROUND

The cash balances in the funds are at a point in time only, and do not reflect pending receivable or payable amounts. All financial investment instruments are constantly monitored and assessed for safety, liquidity and yield. The City's idle funds are currently in principal safe investments that protect its pooled cash, such

as a money market account at Five-Star Bank, rolling Certificates of Deposit through Multi-Bank Securities in various FDIC insured accounts, and the Central San Joaquin Valley Risk Management Authority investment pool, managed by Chandler Asset Management.

On March 22, 2022 the City Council approved the annual statement of investment policy. The policy includes a self-imposed, 'best practice' reporting requirement to implement a Government Finance Officers Association (GFOA) recommendation that an agency's investment policy explicitly require periodic reporting. The attached Pooled Cash Report for the end of 3<sup>rd</sup> quarter fiscal year 2021-22 shows cash balances/market value and interest earnings for every cash account and investment vehicle as of March 31, 2022. It is important to note that the pooled cash report also includes restricted funds such as American Rescue Plan Act funds, final remaining unused/'frozen' RDA bond proceeds, deposits in trust, funds held for groundwater treatment, and RDA Successor Agency funds. Full account statements for all accounts are on file with the Administrative Services Department and available for inspection at any time.

Cash balances are pooled for investment and banking purposes, as it is not practical to have separate investment accounts for each City fund. Interest earnings are apportioned to each City fund based upon the percentage that a particular fund balance makes up of the total. For instance, if the City's General Fund balance was 10% of the total cash balances of the City, it would be credited with 10% of the investment interest earnings for the period.

#### **ATTACHMENTS**

3<sup>rd</sup> Quarter Fiscal Year 2021-22 Investment/Pooled Cash Report